TORONTO

BID AWARD PANEL CONTRACT AWARD

Award of Ariba Document 3408560657 to The West Egg Group Security Services Inc. for Security Guard Services at Union Station for Corporate Real Estate Management, Corporate Security Section

Date: August 4, 2022
To: Bid Award Panel
From: Acting Chief Procurement Officer
Wards: 10

RECOMMENDATIONS

The Acting Chief Procurement Officer recommends that the Bid Award Panel grant authority to award the following contract:

Solicitation Number:
Request for Proposal, Ariba Document Number 3408560657

Description:
For security guard services at Union Station for a period of one (1) year with an option in favour of the City to extend the agreement on the same terms and conditions for three (3) separate one (1) year periods.

Should the option(s) be exercised, the Executive Director of Corporate Real Estate Management will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:
The West Egg Group Security Services Inc.

Contract Award Value:
$2,381,816 net of all applicable taxes and charges
$2,691,452 including HST and all applicable charges
$2,423,736 net of HST recoveries

Contract is expected to start on September 1, 2022 and ends on August 31, 2023.

Option Year 1 (September 1, 2023 to August 31, 2024)
$2,453,270 net of all applicable taxes and charges
$2,772,195 including HST and all applicable charges
$2,496,448 net of HST recoveries

Option Year 2 (September 1, 2024 to August 31, 2025)
$2,526,868 net of all applicable taxes and charges
$2,855,361 including HST and all applicable charges
$2,571,341 net of HST recoveries

Option Year 3 (September 1, 2025 to August 31, 2026)
$2,602,674 net of all applicable taxes and charges
$2,941,022 including HST and all applicable charges
$2,648,481 net of HST recoveries

The total potential contract award including all option years is $11,260,031 including HST and all applicable charges and $9,964,629 net of all applicable taxes and charges. **The total potential cost to the City including all option years is $10,140,006 net of HST recoveries.**

The above cost calculations reflect a 3% CPI adjustment applied annually to the yearly cost after the initial one (1) year period.

FINANCIAL IMPACT

The total potential contract award identified in this report including all option years is $11,260,031 including all applicable taxes and charges. The total potential cost to the City including all option years is $10,140,006 net of HST recoveries.

Funding is available in the 2022 Approved Operating Budget for Corporate Real Estate management. Additional funding will be included in their 2023 Operating Budget Submissions. Should all the optional periods be exercised, appropriate additional funding will be requested in their 2023-2026 Operating Budget Submissions. The details are as follows:

Table 1: Financial Impact Summary of Recommended Contract

Cost Centre, FAC	Year:	2022	2023	2024	2025	2026	Total (net of HST Recoveries)
FA2574 3210400000	Initial Contract Term	807,912	1,615,824				2,423,736

Cost Centre, FAC	Year:	2022	2023	2024	2025	2026	Total (net of HST Recoveries)
	Optional Years		832,149	2,521,412	2,597,055	1,765,654	7,716,271
	Total (Net of HST Recoveries)	807,912	2,447,973	2,521,412	2,597,055	1,765,654	10,140,006

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

SOLICITATION SUMMARY

Solicitation Issued: April 20, 2022 **Solicitation Closed:** May 13, 2022
Number of Addenda Issued: One (1)
Number of Bids: Nine (9)

Table 2: Summary of Bids Received for Request for Proposal Ariba Document Number 3408560657

Supplier name
2320610 Ontario Inc. O/A Active Security Enterprises
Garda Canada Security Corporation
*Ironhorse Corporation
Neptune Security Services Inc.
Sentinel Security Inc.
Shield Security Services
STAR Security and Investigation Services
The West Egg Group Security Services Inc.
*Valguard Security Inc.

Range of Scores:
75.76 - 82.31 points

DIVISION CONTACTS

Justin Lau, Manager, Corporate Services and Finance & Treasury, purchasing & Materials Management, 416-392-7316, Justin.Lau@toronto.ca

Michael Tippett, Acting Manager, Corporate Real Estate Management, Corporate Security, 416-397-4099, Michael.Tippett@toronto.ca

COMMENTS

For the recommended contract award, the following requirements have been met:

a. The firm recommended for award is the lowest Supplier meeting specifications or to the highest scoring Supplier based on the evaluation criteria included in the Solicitation and meeting the requirements of the solicitation;

b. the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;

c. the total contract value is less than $20 million dollars (excluding applicable taxes) and the contract term is:

> 1. for a contract funded by the operating budget, 5 years or less including any option years; or
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> 2. for a contract funded by the capital budget, within the projected term of the capital funding for the project as set out in the capital budget,

being within the authority of the Bid Award Panel;

d. the Solicitation document was advertised on the City’s internet website and bids or proposals were submitted electronically in Ariba; and

e. the Fair Wage Office confirms the recommended firm understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

Additional details and information for the above Solicitations are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Sandra Lisi, Acting Chief Procurement Officer